6 Jan. 1955

Mr. Marshall Knappen
Cosmos Club
Washington 8, D. C.

Dear Mr. Knappen:

I hope that the enclosed may serve the purpose expressed in your letter of November 22, of explaining to college students the function of Central Intelligence in the formation of American foreign policy. You are right, of course, in assuming that we cannot answer all the questions that college students would be expected to ask. It is also true, as you have pointed out, that much material about Central Intelligence is available to you in official and completely reliable sources such as the National Security Act of 1947. The enclosed is written on the assumption that you will consult these sources, so that more detailed reference to them is not necessary here.

With reference to your remarks with regard to the articles in the Saturday Evening Post, we wish to make it clear that we neither control nor pass upon articles about the Agency, nor do we confirm the accuracy or dispute the inaccuracy of what may be written therein. On the rare occasions where we do make statements for the press, the authority therefor is clearly indicated. As of possible interest to you there is enclosed a copy of an interview with the Director of Central Intelligence published in U.S. News and World Report of March 19, 1954.

Please let me know if we may be of further service to you.

Sincerely,

Allen W. Dulles
Director

Enclosure s

O/DCI: SJGrogan/ucc(27 Dec. 54)
cc - 1 - ER
1 - Reading
1 - Mr. Kirkpatrick
2 - Col. Grogan

(14)

THE FUNCTION OF THE CENTRAL INTELLIGENCE AGENCY IN THE FORMATION OF AMERICAN FOREIGN POLICY

Central Intelligence dates from January 22, 1946 when President Truman authorized the Central Intelligence Group. This Group was not so much a new creation as a pooling of existing resources. Over the new Group, the President placed the "National Intelligence Authority," consisting of the Secretaries of State, War, and Navy, and a personal representative to be named by himself. Working under this Authority and as a non-voting member of it was a Director of Central Intelligence appointed by the President. The Group itself was to consist of officers delegated from the departments represented in the National Intelligence Authority which were also to furnish any funds needed by the Group. Since these departments had always been the ones within the Government most closely concerned with intelligence, it can be seen that the Group scheme was primarily a way of bringing their individual efforts into national focus. On July 26, 1947 under the terms of the National Security Act, the Group became the Central Intelligence Agency. The law did not greatly change the nature of Central Intelligence except to give it a much firmer legal standing than it had enjoyed before.

Central Intelligence might be described as an inevitable development of the mid-twentieth century. Before the first World War, when events moved slower than they do now, it was possible for the Secretary of State to advise the President adequately concerning foreign developments on the basis of such reports as he received from diplomatic representatives abroad. The Navy, as the department most immediately

concerned when foreign developments threatened to require military action, was well enough protected by its own relatively independent, intelligence arm. The same could be said of the Army except that its function was normally less immediate, and its inteiligence needs correspondingly less important. But the swift-moving events of the 1940's proved sensationally that the old order in intelligence was due for a drastic change.

The first step in this direction was formation, during the war, of the Office of Strategic Services, designed to supplement established means of collecting foreign intelligence. The next was the Joint Intelligence Committee of the Joint Chiefs of Staff which during the war translated intelligence from all sources into terms applicable to national strategy in the war effort. The Central Intelligence Group and Agency were a logical post-war culmination of these wartime developments.

The Central Intelligence Agency, as of 1954, is part of the complex of departments within the Federal Government that are responsible for the security of the nation and the conduct of its foreign policy. The organization and structure of the Government in this whole area reflect a recognition of the close relationship between diplomatic, military, and other elements in foreign policy. Within this area, the Central Intelligence Agency is the organization which insures that the information flowing to the President and his principal advisors on foreign policy -- the National Security Council -- is consistent and complete,

and which brings together the judgment of intelligence officers in all departments on the major issues of fact and interprets them for the benefit of the President and the Security Council. The principal duties assigned to the Central Intelligence Agency by law are to (a) "coordinate" the intelligence activities of the Government; (b) "correlate and evaluate" the intelligence received by the Government in terms of the security of the nation as a whole; and (c) perform certain "services of common concern" as determined by the National Security Council.

In order to understand why these particular functions were accorded to the Central Intelligence Agency, it is necessary to realize that the Agency was established to harmonize, but not to supplant. With the exception of the Office of Strategic Services which was disestablished in 1945, none of the intelligence or intelligence-related agencies in existence before or during the war was abolished to make way for Central Intelligence. They continued and still continue in their normal capacity of furnishing intelligence support for the departments to which they are attached. The function of Central Intelligence with respect to these agencies is to aid them in directing their efforts, not only toward their own particular concerns, but toward fulfilling the needs of national foreign policy in general. In this endeavor, Central Intelligence is rather a partner and guide than a supervisor or dictator.

This function of guiding the national intelligence effort as a whole corresponds to the first of the three functions listed above. It is described in the National Security Act as "coordinating the

intelligence activities of the several Government departments and agencies in the interest of the national security." The second function is closely related to the first. The terms, "correlate and evaluate," describe the process whereby Central Intelligence, in conjunction with the principal governmental intelligence agencies, draws conclusions from the total body of available information, to be used by the National Security Council in the formation of foreign policy. Central Intelligence is also responsible for making sure that these conclusions are distributed to all government officials who need them in the interest of national security; and conversely, that nothing known to Central Intelligence shall be disclosed in any way that might be harmful to the national security. The third function listed above provides that Central Intelligence, when directed to do so by the National Security Council, shall establish new intelligence activities, not appropriately placed under any single department, which should, however, be developed in the broad national interest.

In such an Agency as has just been described it is natural that the Director of it should be given important and vital duties. It is the Director who conducts the deliberations of the heads of the principal governmental intelligence activities (the "Intelligence Advisory Committee") in drawing final conclusions as to the meaning of current national intelligence; it is he who reports the Committee's findings to the President and the National Security Council and stands ready to discuss them further. It is the duty of the Director of Central Intelligence to keep in touch with all parts of the governmental

intelligence structure, to determine that each is properly geared to the national intelligence effort, and to recommend corrections where indicated. Furthermore, the Director must deal with all the problems common to large governmental agencies, but with an additional problem, common to few other agencies, of assuring himself that his organization shall operate in complete secrecy. Public law, as of 1954, provides that the Director shall be a civilian, or if he is a military officer, that his Deputy must be a civilian. In spite of the obvious importance of military intelligence under the Central Intelligence system, the complexion of the Agency in time of peace is overwhelmingly civilian, as is appropriate in such a government as that of the United States.

The Central Intelligence Agency engages in the collection of intelligence as a service of common concern, but it should be noted that the Department of State, the Department of Defense, and numerous other departments and agencies also collect intelligence and information, just as they have always done. Manifestly, it is a function of Central Intelligence to make sure that these various collection efforts are not duplicative, but that each serves an essential purpose in furtherance of national security. Much of the collection sponsored by Central Intelligence is overt -- that is to say, concerned with amassing information obtainable abroad from publications, public speeches, and the like. Some of it is covert -- that is to say, obtained by any appropriate means from sources not intended to be public.

Since almost any kind of verbal, oral, pictographic, or material information -- even that which is seemingly trivial -- may be found, on examination, to be intelligence of a high order, it can be seen that collection of intelligence requires an elaborate and widespread organization. Equally important, however, is the process whereby that which is collected is examined, analyzed, codified, and filed away for future reference -- all of which is necessary if the diverse bits of knowledge that come in to the central office are to be put to any useful purpose. For this process, Central Intelligence makes use of the best qualified people who can be found to perform the manifold types of tasks involved, and of the most advanced machines that have been devised to supplement human effort.

The end product of all this endeavor is a series of reports of different kinds that are made available to those who decide what course of action the United States should follow in international affairs. These reports are in no sense advice -- which is the business of the National Security Council itself -- but are primarily statements and interpretations of fact as determined from the best available intelligence. They are among the principal facts that the Security Council must take into consideration before making final judgments.

It is true, of course, that those who make foreign policy must take domestic as well as foreign considerations into account, but in this field, Central Intelligence has no part. The law provides that the Agency "shall have no police, subpoena, law-enforcement, or internal-

security functions." Nationally speaking, all these are, of course, the province of the Federal Bureau of Investigation. The Bureau, however, is represented on the Intelligence Advisory Committee. Through this representation, domestic and foreign intelligence are enabled to work together at any points where they may overlap.

In an age when events move too fast to allow of much latitude for serious mistakes in the determination of foreign policy, the Central Intelligence system must stand as a major guard against ill-informed decisions.

final draft given to Nancy 3/1/55

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and Agency were a logical post-war culmination of these wartime developments.

The Central Intelligence Agency, as of 1954, is part of a national system of defense which recognizes the close relationship of diplomatic and military elements in the promotion of foreign policy. Under this system, the Central Intelligence Agency constitutes the method whereby the President, and his principal advisers on foreign policy -- the National Security Council -- may be kept informed of international developments affecting that policy. The principal duties assigned to the Central Intelligence Agency by law are to (a) "coordinate" the intelligence activities of the Government; (b) "correlate and evaluate" the intelligence received by the Government in terms of the security of the nation as a whole, and (c) perform certain "services of common concern" as determined by the National Security Council.

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Central Intelligence, as has been said, was an inevitable development of the mid-twentieth century. Its importance to the nation in these critical times goes without saying. In an age when events move too fast to allow of much latitude for serious mistakes in the determination of national policy, the Central Intelligence system must stand as the principal guard against ill informed decisions that might lead to national disaster.